

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

MARKET-DOMINANT PRICE CHANGE

Docket No. R2020-1

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 10**
(November 27, 2019)

The Postal Service hereby responds to Chairman's Information Request No. 10, issued on November 25, 2019. The question is stated verbatim and is followed by the response.

UNITED STATES POSTAL SERVICE
By its attorneys:

Anthony F. Alverno
Chief Counsel,
Global Business and Service Development

Jeffrey A. Rackow
Attorney

475 L'Enfant Plaza, S.W.
Washington, D.C. 20260-1101
(202) 268-6687; Fax -5418
jeffrey.a.rackow@usps.gov
November 27, 2019

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 10**

1. Please explain why the Internal Air Conveyance fee changed from Calendar Year (CY) 2019¹ to CY 2020² and provide all relevant data used in the calculation.

RESPONSE:

The U.S. Postal Service did not calculate the actual Internal Air Conveyance (IAC) fees for CY 2019 and CY 2020. In accordance with Universal Postal Convention Article 33 and Convention Regulation Article 33-101.5, and based on data provided confidentially in questionnaire responses by the respective designated operators by September 30 each year, the International Bureau (IB) of the Universal Postal Union (UPU) calculates the IAC fees applicable to the following calendar year and then provides notice of them to the UPU designated operators via IB Circulars, including the two that the Commission has cited. The Postal Service provided the IB with such data in its questionnaire responses to enable the IB to calculate the IAC fees for CY 2019 and CY 2020. The Postal Service has attached redacted copies of those IB questionnaire responses to this ChIR No. 10 response (Attachment 1 for CY 2019 and Attachment 2 for CY 2020), and has also filed unredacted copies under seal.³ Although the Postal Service did not calculate the actual IAC fees, presumably the different inputs provided for each year

¹ Universal Postal Union International Bureau Circular No. 167, November 19, 2018, at 2.

² Universal Postal Union International Bureau Circular No. 179, November 4, 2019, at 2.

³ With respect to the redacted data, which include sensitive non-public weight and cost data of the Postal Service among other commercially sensitive data, the Postal Service incorporates by reference the Revised Application for non-public treatment that it filed in this docket with USPS Notice of Filing Revised USPS-LR-R2020-1/NP1 (Attachment 1) on October 25, 2019.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 10**

caused changes in the calculation of the fees applicable to CY 2020 compared to CY 2019. In addition, the IAC fees applicable to CY 2020 would have changed from those applicable to CY 2019 because of changes in the Second Additional Protocol to the Universal Postal Convention that will enter into force on January 1, 2020, by which IAC fees may not apply to certain (E-format) letter post in CY 2020 (see Universal Postal Convention Articles 30.1bis & 33.6).



Questionnaire

Please download this questionnaire from the UPU website at www.upu.int/en/activities/transport/internal-air-conveyance-rates-and-dues/questionnaire.html and send it completed by e-mail to transport@upu.int by **30 September 2018** at the latest. Should you wish to send it by post, please use the following address:

Mr Ján Bojnanský
Customs and Transport
Programme Manager
Universal Postal Union
P.O. Box 312
3000 BERNE 15
SWITZERLAND

Name of country: USA

Observation period: July 1, 2017 through June 30, 2018

Data relating to letter post forwarded by air

Total weight of airmails received during this period: [REDACTED] kg broken down as follows:

- a items redirected abroad (items in transit à *découvert* and missent items): [REDACTED] kg;
- b items delivered in the area served by the airports of arrival of the mails or reforwarded by surface: [REDACTED] kg;
- c items reforwarded by air inside the country: [REDACTED] kg.

Cost of conveyance per tonne/kilometre by air within the country: [REDACTED] SDR

Cost of conveyance per tonne/kilometre by surface within the country: [REDACTED] SDR


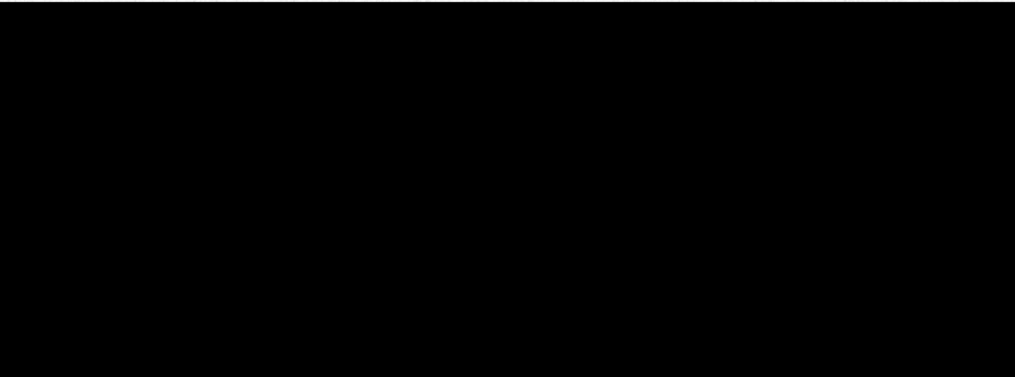
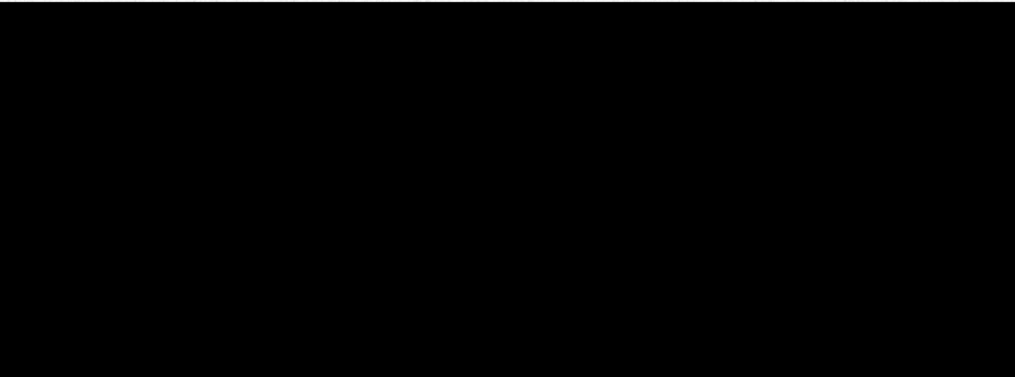
Breakdown of the weight of items reforwarded on the different sectors of the internal air network

[illegible]

[illegible]

14:07 Wednesday, September 12, 2018 8
Weights of Items Moved On Internal Air Network
JUL 2017 THROUGH JUN 2018
Non-IC countries

CITY OF DEPARTURE=JFK

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
1	JFK			
2	JFK			
3	JFK			
4	JFK			
5	JFK			
6	JFK			
7	JFK			
8	JFK			
9	JFK			
10	JFK			
11	JFK			
12	JFK			
13	JFK			
14	JFK			
15	JFK			
16	JFK			
17	JFK			
18	JFK			
19	JFK			
20	JFK			
21	JFK			
22	JFK			
23	JFK			
24	JFK			
25	JFK			
26	JFK			
27	JFK			
28	JFK			
29	JFK			
30	JFK			
31	JFK			
32	JFK			
33	JFK			
34	JFK			
35	JFK			
36	JFK			
37	JFK			
38	JFK			
39	JFK			
40	JFK			
41	JFK			
42	JFK			
43	JFK			
44	JFK			
45	JFK			
46	JFK			
47	JFK			
48	JFK			

14:07 Wednesday, September 12, 2018 9
Weights of Items Moved On Internal Air Network
JUL 2017 THROUGH JUN 2018
Non-IC countries

CITY OF DEPARTURE=JFK

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
49	JFK			
50	JFK			
51	JFK			
52	JFK			
53	JFK			
54	JFK			
55	JFK			
56	JFK			
57	JFK			
58	JFK			
59	JFK			

DEO				

CITY OF DEPARTURE=LAX

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
60	LAX			
61	LAX			
62	LAX			
63	LAX			
64	LAX			
65	LAX			
66	LAX			
67	LAX			
68	LAX			
69	LAX			
70	LAX			
71	LAX			
72	LAX			
73	LAX			
74	LAX			
75	LAX			
76	LAX			
77	LAX			
78	LAX			
79	LAX			
80	LAX			
81	LAX			
82	LAX			
83	LAX			
84	LAX			
85	LAX			
86	LAX			

14:07 Wednesday, September 12, 2018 10
Weights of Items Moved On Internal Air Network
JUL 2017 THROUGH JUN 2018
Non-IC countries

CITY OF DEPARTURE=LAX

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
87	LAX			
88	LAX			
89	LAX			
90	LAX			
91	LAX			
92	LAX			
93	LAX			
94	LAX			
95	LAX			
96	LAX			
97	LAX			
98	LAX			
99	LAX			
100	LAX			
101	LAX			
102	LAX			
103	LAX			
104	LAX			
105	LAX			
106	LAX			
107	LAX			
108	LAX			
109	LAX			
110	LAX			
111	LAX			
112	LAX			
113	LAX			
114	LAX			
115	LAX			
116	LAX			
117	LAX			
118	LAX			
119	LAX			
120	LAX			
121	LAX			
122	LAX			
123	LAX			
124	LAX			
125	LAX			
126	LAX			

DEO				

14:07 Wednesday, September 12, 2018 11
Weights of Items Moved On Internal Air Network
JUL 2017 THROUGH JUN 2018
Non-IC countries

CITY OF DEPARTURE=MIA

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
127	MIA			
128	MIA			
129	MIA			
130	MIA			
131	MIA			
132	MIA			
133	MIA			
134	MIA			
135	MIA			
136	MIA			
137	MIA			
138	MIA			
139	MIA			
140	MIA			
141	MIA			
142	MIA			
143	MIA			
144	MIA			
145	MIA			
146	MIA			
147	MIA			
148	MIA			
149	MIA			
150	MIA			
151	MIA			
152	MIA			
153	MIA			
154	MIA			
155	MIA			
156	MIA			
157	MIA			
158	MIA			
159	MIA			
160	MIA			
161	MIA			
162	MIA			
163	MIA			
164	MIA			
165	MIA			
166	MIA			
167	MIA			
168	MIA			
169	MIA			

DEO				

14:07 Wednesday, September 12, 2018 12
Weights of Items Moved On Internal Air Network
JUL 2017 THROUGH JUN 2018
Non-IC countries

CITY OF DEPARTURE=ORD

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
170	ORD			
171	ORD			
172	ORD			
173	ORD			
174	ORD			
175	ORD			
176	ORD			
177	ORD			
178	ORD			
179	ORD			
180	ORD			
181	ORD			
182	ORD			
183	ORD			
184	ORD			
185	ORD			
186	ORD			
187	ORD			
188	ORD			
189	ORD			
190	ORD			
191	ORD			
192	ORD			
--				
DEO				

CITY OF DEPARTURE=SFO

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
193	SFO			
194	SFO			
195	SFO			
196	SFO			
197	SFO			
198	SFO			
199	SFO			
200	SFO			
201	SFO			
202	SFO			
203	SFO			
204	SFO			
205	SFO			
206	SFO			
207	SFO			
208	SFO			
209	SFO			

14:07 Wednesday, September 12, 2018 13
Weights of Items Moved On Internal Air Network
JUL 2017 THROUGH JUN 2018
Non-IC countries

CITY OF DEPARTURE=SFO

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
210	SFO			
211	SFO			
212	SFO			
213	SFO			
214	SFO			
215	SFO			
216	SFO			
217	SFO			
218	SFO			
219	SFO			
220	SFO			
221	SFO			
222	SFO			
223	SFO			
224	SFO			
225	SFO			
226	SFO			
227	SFO			
228	SFO			
229	SFO			
230	SFO			
231	SFO			
232	SFO			
233	SFO			
234	SFO			
235	SFO			
236	SFO			
237	SFO			
238	SFO			
239	SFO			
240	SFO			
241	SFO			
242	SFO			
243	SFO			
244	SFO			
245	SFO			
246	SFO			
247	SFO			
248	SFO			
249	SFO			
250	SFO			
251	SFO			
252	SFO			
253	SFO			
254	SFO			
255	SFO			
256	SFO			

14:07 Wednesday, September 12, 2018 14
Weights of Items Moved On Internal Air Network
JUL 2017 THROUGH JUN 2018
Non-IC countries

CITY OF DEPARTURE=SFO

(continued)

	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
Obs				

DEO				



[illegible]

[illegible]

07:36 Wednesday, August 28, 2019 10
Weights of Items Moved On Internal Air Network
JUL 2018 THROUGH JUN 2019
Non-IC countries

CITY OF DEPARTURE-HNL				
Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
1	HNL	<div></div>	<div></div>	<div></div>
2	HNL			
3	HNL			
4	HNL			
5	HNL			
6	HNL			
7	HNL			
8	HNL			
9	HNL			
10	HNL			
11	HNL			
12	HNL			
13	HNL			
14	HNL			
15	HNL			
16	HNL			
17	HNL			
18	HNL			
19	HNL			
20	HNL			
21	HNL			
22	HNL			
23	HNL			
24	HNL			
25	HNL			
26	HNL			
27	HNL			
28	HNL			
29	HNL			
30	HNL			
31	HNL			
32	HNL			
33	HNL			
34	HNL			
35	HNL			
36	HNL			
37	HNL			
38	HNL			
39	HNL			
40	HNL			
41	HNL			
42	HNL			
43	HNL			
44	HNL			
45	HNL			
46	HNL			
47	HNL			
48	HNL			

07:36 Wednesday, August 28, 2019 11
Weights of Items Moved On Internal Air Network
JUL 2018 THROUGH JUN 2019
Non-IC countries

CITY OF DEPARTURE=HNL

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
49	HNL			
50	HNL			
51	HNL			
52	HNL			
53	HNL			
54	HNL			
55	HNL			
56	HNL			
57	HNL			
58	HNL			
59	HNL			
60	HNL			
61	HNL			
62	HNL			
63	HNL			
64	HNL			
65	HNL			
66	HNL			
67	HNL			
68	HNL			
69	HNL			
70	HNL			
71	HNL			
72	HNL			
73	HNL			
74	HNL			
75	HNL			

DEO				

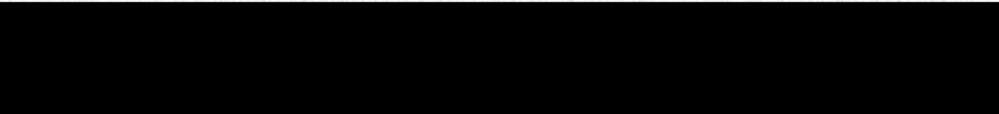
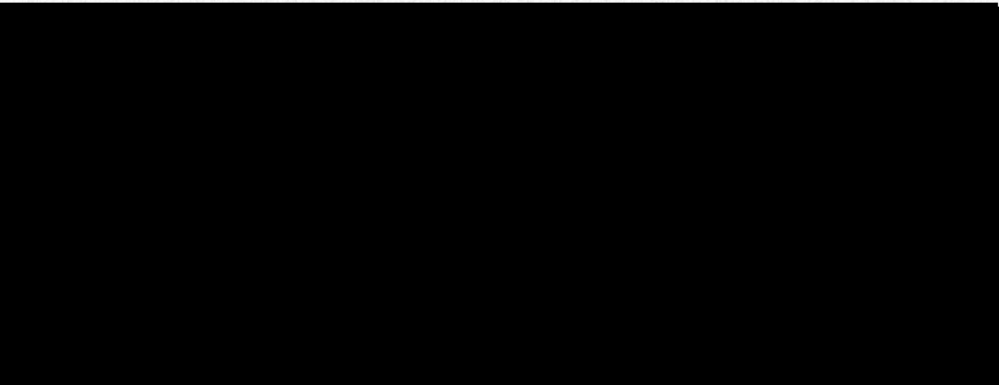
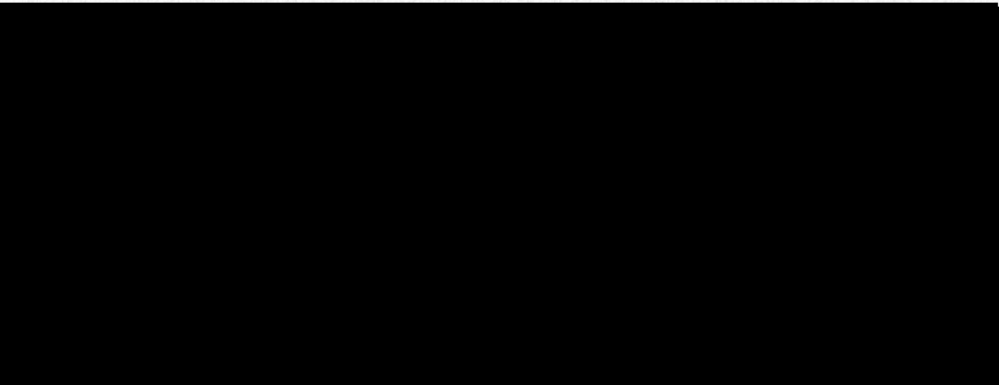
CITY OF DEPARTURE=JFK

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
76	JFK			
77	JFK			
78	JFK			
79	JFK			
80	JFK			
81	JFK			
82	JFK			
83	JFK			
84	JFK			
85	JFK			
86	JFK			

07:36 Wednesday, August 28, 2019 12
Weights of Items Moved On Internal Air Network
JUL 2018 THROUGH JUN 2019
Non-IC countries

CITY OF DEPARTURE=JFK

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
87	JFK			
88	JFK			
89	JFK			
90	JFK			
91	JFK			
92	JFK			
93	JFK			
94	JFK			
95	JFK			
96	JFK			
97	JFK			
98	JFK			
99	JFK			
100	JFK			
101	JFK			
102	JFK			
103	JFK			
104	JFK			
105	JFK			
106	JFK			
107	JFK			
108	JFK			
109	JFK			
110	JFK			
111	JFK			
112	JFK			
113	JFK			
114	JFK			
115	JFK			
116	JFK			
117	JFK			
118	JFK			
119	JFK			
120	JFK			
121	JFK			
122	JFK			
123	JFK			
124	JFK			
125	JFK			
126	JFK			
127	JFK			
128	JFK			
129	JFK			
130	JFK			
131	JFK			
132	JFK			
133	JFK			

07:36 Wednesday, August 28, 2019 13
Weights of Items Moved On Internal Air Network
JUL 2018 THROUGH JUN 2019
Non-IC countries

CITY OF DEPARTURE=JFK

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
134	JFK			
135	JFK			

DEO				

CITY OF DEPARTURE=LAX

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
136	LAX			
137	LAX			
138	LAX			
139	LAX			
140	LAX			
141	LAX			
142	LAX			
143	LAX			
144	LAX			
145	LAX			
146	LAX			
147	LAX			
148	LAX			
149	LAX			
150	LAX			
151	LAX			
152	LAX			
153	LAX			
154	LAX			
155	LAX			
156	LAX			
157	LAX			
158	LAX			
159	LAX			
160	LAX			
161	LAX			
162	LAX			
163	LAX			
164	LAX			
165	LAX			
166	LAX			
167	LAX			
168	LAX			
169	LAX			
170	LAX			
171	LAX			

07:36 Wednesday, August 28, 2019 14
Weights of Items Moved On Internal Air Network
JUL 2018 THROUGH JUN 2019
Non-IC countries

CITY OF DEPARTURE=LAX

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
172	LAX			
173	LAX			
174	LAX			
175	LAX			
176	LAX			
177	LAX			
178	LAX			
179	LAX			
180	LAX			
181	LAX			
182	LAX			
183	LAX			
184	LAX			
185	LAX			
186	LAX			
187	LAX			
188	LAX			
189	LAX			
190	LAX			
191	LAX			
192	LAX			
193	LAX			
194	LAX			
195	LAX			
196	LAX			
197	LAX			
198	LAX			
199	LAX			
200	LAX			
201	LAX			
202	LAX			
203	LAX			

DEO				

CITY OF DEPARTURE=MIA

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
204	MIA			
205	MIA			
206	MIA			
207	MIA			
208	MIA			
209	MIA			

07:36 Wednesday, August 28, 2019 15
Weights of Items Moved On Internal Air Network
JUL 2018 THROUGH JUN 2019
Non-IC countries

CITY OF DEPARTURE=MIA

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
210	MIA			
211	MIA			
212	MIA			
213	MIA			
214	MIA			
215	MIA			
216	MIA			
217	MIA			
218	MIA			
219	MIA			
220	MIA			
221	MIA			
222	MIA			
223	MIA			
224	MIA			
225	MIA			
226	MIA			
227	MIA			
228	MIA			
229	MIA			
230	MIA			
231	MIA			
232	MIA			
233	MIA			
234	MIA			
235	MIA			
236	MIA			
237	MIA			
238	MIA			
239	MIA			
240	MIA			
241	MIA			
242	MIA			
243	MIA			
244	MIA			
245	MIA			
246	MIA			
247	MIA			
248	MIA			
249	MIA			
250	MIA			
251	MIA			
252	MIA			
253	MIA			
254	MIA			
255	MIA			
256	MIA			

07:36 Wednesday, August 28, 2019 16
Weights of Items Moved On Internal Air Network
JUL 2018 THROUGH JUN 2019
Non-IC countries

CITY OF DEPARTURE=MIA

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
257	MIA			
258	MIA			
259	MIA			
260	MIA			
261	MIA			
262	MIA			
263	MIA			
264	MIA			
265	MIA			
266	MIA			
267	MIA			
268	MIA			
269	MIA			

DEO				

CITY OF DEPARTURE=ORD

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
270	ORD			
271	ORD			
272	ORD			
273	ORD			
274	ORD			
275	ORD			
276	ORD			
277	ORD			
278	ORD			
279	ORD			
280	ORD			
281	ORD			
282	ORD			
283	ORD			
284	ORD			

DEO				

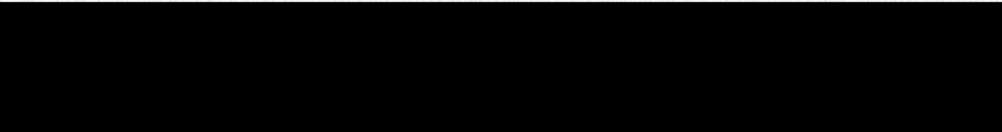
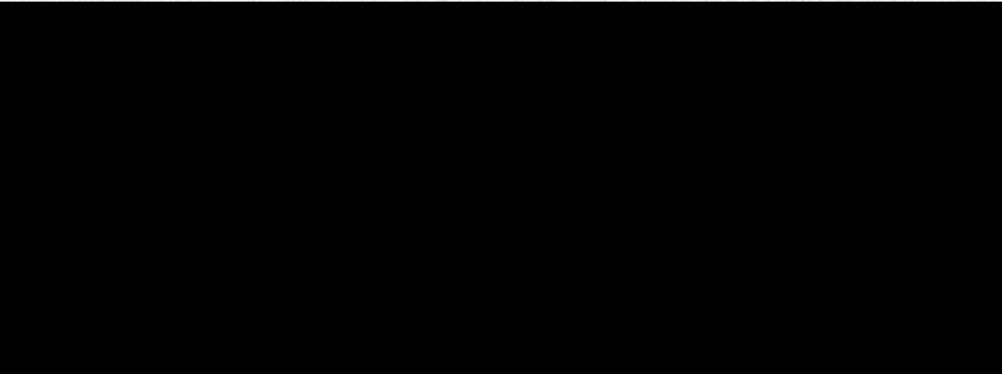
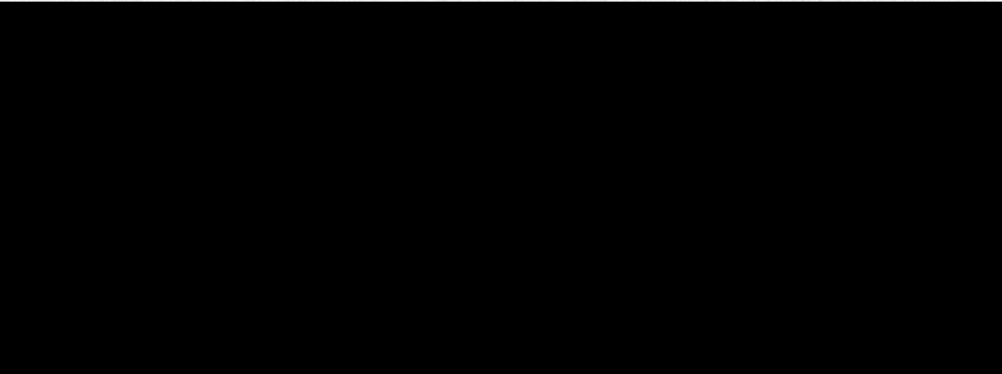
CITY OF DEPARTURE=SFO

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
285	SFO			

07:36 Wednesday, August 28, 2019 17
Weights of Items Moved On Internal Air Network
JUL 2018 THROUGH JUN 2019
Non-IC countries

CITY OF DEPARTURE=SFO

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
286	SFO			
287	SFO			
288	SFO			
289	SFO			
290	SFO			
291	SFO			
292	SFO			
293	SFO			
294	SFO			
295	SFO			
296	SFO			
297	SFO			
298	SFO			
299	SFO			
300	SFO			
301	SFO			
302	SFO			
303	SFO			
304	SFO			
305	SFO			
306	SFO			
307	SFO			
308	SFO			
309	SFO			
310	SFO			
311	SFO			
312	SFO			
313	SFO			
314	SFO			
315	SFO			
316	SFO			
317	SFO			
318	SFO			
319	SFO			
320	SFO			
321	SFO			
322	SFO			
323	SFO			
324	SFO			
325	SFO			
326	SFO			
327	SFO			
328	SFO			
329	SFO			
330	SFO			
331	SFO			
332	SFO			

07:36 Wednesday, August 28, 2019 18
Weights of Items Moved On Internal Air Network
JUL 2018 THROUGH JUN 2019
Non-IC countries

CITY OF DEPARTURE=SFO

(continued)

Obs	CITY OF DEPARTURE	CITY OF ARRIVAL	AIRMAIL DISTANCE (KM)	WEIGHT (KG)
333	SFO			
334	SFO			
335	SFO			
336	SFO			
337	SFO			
338	SFO			
339	SFO			
340	SFO			
341	SFO			
342	SFO			
343	SFO			
344	SFO			
345	SFO			
346	SFO			
347	SFO			
348	SFO			
349	SFO			
350	SFO			
351	SFO			
352	SFO			
353	SFO			
354	SFO			

DEO				